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Message Text

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70
ACTION NEA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-07 NSAE-00 PA-02

USIA-15 PRS-01 SP-02 L-02 COME-00 TRSE-00 FRB-01

AID-05 EB-07 /052 W
---------- 116627
R 131135Z MAY 75
FM AMEMBASSY TEL AVIV
TO SECSTATE WASHDC 6638

UNCLAS TEL AVIV 2883

E O 11652: N/A
TAGS: EFIN, IS
SUBJECT: ISRAEL CORP-ROSENBAUM (ICB) SCANDAL - TZUR PLEADS GUILTY

REF: TEL AVIV 7088 - DEC 9, 174 AND PREVIOUS

1. MICHAEL TZUR, FORMER MANAGING DIRECTOR OF ISRAEL CORP. (IC) AND FORMER CHAIRMAN OF BOARDS OF ZIM SHIPPING CO. AND HAIFA REFINERIES, PLEADED GUILTY AT TEL AVIV DISTRICT COURT MAY 9 TO 14 CHARGES FILED AGAINST HIM. TZUR WAS ARRESTED ON FEB 24 AFTER WEEKS OF POLICE INVESTIGATION OF HIS INVOVEMENT IN THE IC-ROSENBAUM- INTERNATIONAL CREDIT BANK (ICB) SCANDAL. THE 18-PAGE CHARGE SHEET AGAINST TZUR INCLUDED FRAUD, EMBEZZLEMENT BRIBE TAKING, BREACH OF TRUST AS A PUBLIC SERVANT, THEFT, INCOME-TAX EVASION AND ILLEGAL FOREIGN CURRENCY TRANSACTIONS INVOLVING TOGETHER SCORES OF MILLIONS OF DOLLARS.

2. ACCORDING TO THE PROSECUTOR, TZUR'S CRIMINAL ACTS HAD CAUSED GREAT DAMAGE TO ISRAEL'S ECONOMY AND REPUTATION AND HAD DETERRED FOREIGN INVESTORS. IN PLEADING FOR CLEMENCY, DEFENSE ATTORNEY POINTED TO TZUR'S COOPERATION WITH THE POLICE AND TO HIS PAST CONTRIBUTION TO THE SUCCESSFUL OPERATIONS OF IC, ZIM AND HAIFA REFINERIES. VERDICT WILL REPORTEDLY BE HEARD ON MAY 26.

3. ISRAELI PRESS REPORTS GENEVA AUTHORITIES ANNOUNCED UNCLASSIFIED

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ARREST OF TIBOR ROSENBAUM ON APRIL 29 AFTER INVESTIGATION QUOTE REVEALED QUESTIONS OF IMPROPER MANAGEMENT OF FUNDS, POSSIBLE FALSIFICATION OF DOCUMENTS, AND FRAUD UNQUOTE.
VELIOTES

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Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANKS, BLOCKED ASSETS, CORRUPTION
Control Number: n/a
Copy: SINGLE
Draft Date: 13 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975TELAV02883
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750168-0122
From: TEL AVIV
Handling Restrictions: n/a
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Legacy Key: link1975/newtext/t197505100/baaaaerq.tel
Line Count: 57
Locator: TEXT ON-LINE, TEXT ON MICROFILM
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Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Page Count: 2
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Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 22 JUL 2003
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Review Exemptions: n/a
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Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 971009
Subject: n/a
TAGS: EFIN, IS, INTERNATIONAL CREDIT BANK, (ROSENBAUM, TIBOR)
To: STATE
Type: TE
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